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The Canadian hotel industry: a roundtable discussion on challenges and trends

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Abstract

Purpose – This paper aims to provide a relevant backdrop for the *Worldwide Hospitality and Tourism Themes* (*WHATT*) theme issue on the hotel industry of Canada, and to describe how the 2012 WHATT roundtable in Canada was organised.

Design/methodology/approach – The foundation for this paper was laid during a well attended Worldwide Hospitality and Tourism Themes (WHATT) roundtable discussion between industry leaders and hospitality educators in May 2012. The paper is written in the context of the theme and strategic question for the 2012 Canadian WHATT roundtable: "What innovations are needed in the Canadian hotel industry and how might they be implemented to secure the industry's future?".

Findings – This paper provides key information on Canada, its economic conditions, the tourism industry and the hotel industry. It also explains the origins of WHATT and its scholarly journey over the last 19 years. In capturing the essence of the 2012 WHATT roundtable discussion in Canada, the paper provides a strong foundation for the other seven papers that follow in this WHATT theme issue.

Practical implications – The paper looks at key challenges of the hotel industry in Canada and provides thought-provoking viewpoints from experts.

Originality/value – Readers who are interested in the Canadian hotel industry would benefit from this paper. Authors include the president of the umbrella trade association for the hotel industry, the Hotel Association of Canada, and the editor and publisher of the leading trade magazine for the hotel industry of Canada, *Hotelier*.

Keywords Canada, Tourism, Hotel industry, Colleges, WHATT Roundtables, Challenges, Hotels

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Canada

Profile

Canada is a constitutional monarchy and a federal state with a democratic parliament. Canada gained self governance in 1867 and is the second largest country in the world. It is also one of the richest countries, and largely accepted as one of the best places to

live. A recent study completed by The Earth Institute at Columbia University and presented at the United Nations Conference on Happiness ranked Canada as the fifth happiest nation in the world (2012). Canada is known for its abundant supply of natural resources, which are spread over vast distances. The country is second only to Russia in size, however 90 percent of its population of 34.3 million lives within 160 km of the USA border. The climate varies from temperate in the southern part of the country, to arctic in the far north[1]. The terrain is largely plains, with mountains in the west and lowlands in the southeast Maritime region. Canada's capital city is Ottawa and its largest city Toronto, both are in Ontario, the province with the largest population (13.5 million, or 39 percent of the national population)[2]. Canada currently has a 0.784 percent annual growth rate and a total fertility rate of 1.59, which is supplemented by a net migration rate of 5.65 migrants per 1,000 population. The infant mortality rate is 4.85/100,000 live births and the life expectancy is 81.48 years. The human development index (HDI) in 2011 found that Canada is one of the six best countries to live (Hazell *et al.*, 2012). The UN Human Development Index (HDI) measures poverty, literacy, education, life expectancy, and other factors. It is a standard means of measuring well-being and has been used since 1993 by the United Nations Development Programme in its annual report[3]. Since then, Canada ranked number one nation to live in seven years out of the last 18 years and only one other country (Norway) matched this national performance.

People

Ethnically, Canada is:

- 28 percent of British Isles origin;
- 23 percent of French origin;
- 15 percent other European;
- 2 percent Aboriginal;
- 6 percent other; and
- 26 percent of mixed background[1].

The country has two official languages, English and French, and three major aboriginal groups, First Nations, Inuit, and Métis, who speak a multitude of other languages. The modern day Canada has one of the most diverse populations in the world. There are around 200 languages that make up the linguistic portrait of the country. At the provincial/territorial level, among Canada's three Northern territories and ten provinces, and there are variations in the degree to which the two official languages are represented, for example:

- Ontario is regionally bilingual.
- New Brunswick is officially bilingual.
- Alberta is officially Anglophone.
- Quebec is officially Francophone.
- Nunavut recognises the Inuit languages Inuktitut and Inuinnaqtun, in addition to English and French, as its official languages (Standing Senate Committee on Legal and Constitutional Standing Senate Committee on Legal and Constitutional Affairs, 2009.

Economic conditions

Canada's economy is still very much based on its natural resources. Its major industries are:

- transportation equipment;
- chemicals;
- processed and unprocessed minerals;
- food products;
- wood and paper products;
- fish products;
- petroleum; and
- natural gas[1].

Canada's natural resources sectors account for 11.5 percent of the gross domestic product (GDP), and can be broken down into the following sectors:

- Energy 6.8 percent.
- Minerals and metals 2.8 percent.
- Forestry 1.9 percent (Natural Resources Canada, 2010).

The petroleum sector is becoming an ever-larger contributor to the economy, with reserves ranking third internationally behind Saudi Arabia and Venezuela. This development has not been without controversy in the country, as Canada seeks to balance this development with its commitment to the environment.

Canada's gross domestic product is $1.414 trillion, with exports of $462.4 billion (major partners: USA and UK) and imports of $461 billion (major partners: USA, China and Mexico). Canada's major banks have conservative lending practices, and weathered the global financial crisis of 2007-2008 much better than other G8 countries. After 12 years of surplus, however, the country reported a fiscal deficit in 2009. Canada reported marginal growth in 2010 and 2011. Unemployment as of 2011 was at 7.5 percent, down from 8 percent in 2010.

Canada's tourism industry

The tourism industry contributes greatly to the Canadian economy. The year 2010 saw over $70 billion in domestic and international tourist expenditures. Consideration of domestic contributions to tourism spending highlights an important additional factor, however: it is not merely visitors who contribute to tourism spending. Local residents go to restaurants and visit attractions in their home regions, supporting the industry and increasing demand for tourism goods and services. The combined total, when this is taken into account, amounted to $188 billion in 2010 and is expected to reach $293 billion by 2030 (The Canadian Tourism Research Institute, 2012). Travel and tourism GDP was $29 billion in 2009, on par with automobile manufacturing and with forestry and agriculture combined. In total there were over 180,000 Canadian businesses involved in tourism, employing 650,000 people directly[2].

Around the world an increasing number of countries recognize the importance of tourism as an export industry and invest in a tourism marketing program under a unified national brand. It is the national brand that plays a critical role. A study by leading

international branding company Interbrand found that 58 percent of international tourists decide to travel to Canada influenced by the national tourism brand. The Harris Decima's Global Tourism Watch concluded that unaided awareness of Canada as a destination was 20 times higher than that of any one Canadian province or territory. Less than one percent of international long-haul travellers were aware of Canada's individual provinces and territories. Evidence demonstrates that customers make a choice to come to Canada first, and only later down the path to purchase do they delve into a choice of province or territory, venue, and experience. Canada's incredible geography, its prosperity and beauty – still untouched in many regions – should be a significant tourist attractor. What is notable is that much of the country's tourism is centered on Canada's four largest cities, Toronto, Montreal, Vancouver and Ottawa, all well known for their culture, diversity and historic sites but not for vast and untouched natural landscapes.

The Canadian Tourism Commission (CTC)

CTC has provided platforms and opportunities for Canadian tourism and hospitality businesses. CTC has led the development and stewardship of Canada's national tourism brand Canada. Keep Exploring, a brand that is now ranked number one in the world by Futurebrand. The official web site of CTC: www.canada.travel/[3], with an aim to inspire visitors to explore Canada, states that: "Canada is a big country, full of unique places for you to explore."

In 1995, the government of Canada established CTC to promote the growth and profitability of Canada. In 2001, CTC became a crown corporation of the federal government. CTC's official, legislated mandate includes:

- sustain a vibrant and profitable Canadian tourism industry;
- market Canada as a desirable tourist destination;
- support a cooperative relationship between the private sector and the governments of Canada, the province and the territories with respect to Canadian tourism; and
- provide information about Canadian tourism to the private sector and to the governments of Canada, the provinces and territories.

CTC's goal is to grow export revenues and inspire the world to explore Canada. CTC works with the tourism industry to:

- market Canada as a four season destination;
- conduct research; and
- foster the development of market-ready products that meet consumers' needs.

CTC produces many useful publications including tourism intelligence bulletins, market research reports, information on travel trends and motivations to assist small and medium sized businesses. Furthermore, CTC publishes and distributes Tourism Daily News and Tourism Online, and Tourism Magazine to stakeholders and other interested parties.

CTC invites visitors to Canada to find their adventure on a mountain or a menu, do their journey on a metro or a floatplane, find themselves in a valley or a crowd. Many things to do in Canada are listed under sections such as:

- adventure and sports.
- cities.

- culture.
- food and wine.
- journeys.
- nature and outdoors.
- spa and wellness[4].

World ranking

Excellent work done by CTC in the development and stewardship of Canada's national tourism brand "Canada. Keep Exploring", gained world recognition when Canada was ranked number one tourist destination in the world by Futurebrand in the year 2011-2012. The editor of *Hotelier Magazine,* Rosanna Caira (2012) points out that in spite of this significant recognition, Canada's international destination ranking has dropped. Although it has been viewed as a top tourist destination by international travellers, Canada had 3.5 million less international visitors in 2010 than it did in 2000 (Haywood, 2012a). In spite of the strengths of Canada's tourism product, Canada has slipped, from the second most popular destination in the world in 1970, to number 15 in 2010, when it received just over 15.7 million overnight visitors who spent $14.2 billion or $903 per visitor.

Canada slipped to the world's second place in rankings by Futurebrand for 2012-2013. The top 15 country brands of 2012-2013 are[5]:

(1) Switzerland (+1 from 2012).
(2) Canada (−1).
(3) Japan (+1).
(4) Sweden (+3).
(5) New Zealand (−2).
(6) Australia (−1).
(7) Germany (+4).
(8) United States (−2).
(9) Finland (−1).
(10) Norway (+2).
(11) United Kingdom (+2).
(12) Denmark (+3).
(13) France (−4).
(14) Singapore (+2).
(15) Italy (−5).

Trips, nights, and spending. As shown in Table I, in terms of the number of trips, number of nights spent at a destination, and total spending in Canada, the top three countries of origin in 2010 were:

(1) The USA.
(2) The UK.
(3) France.

Rank based on number of trips	Country of origin[a]	Number of trips (in thousands)	Number of nights (in thousands)	Average stay (nights)	Spending in Canada (CAN$, millions)	Average spending per trip	Average spending per day
1	The USA	11,749	47,247	4.0	$6,254	$532	$132
2	The UK	661	8,909	13.5	$811	$1.227	$91
3	France	408	6,657	16.3	$527	$1,292	$79
4	Germany	316	5,515	17.5	$476	$1,506	$86
5	Japan	215	3,046	14.2	$330	$1,535	$108
6	Australia	202	3,024	15.0	$353	$1,748	$117
7	China	193	5,401	28.0	$315	$1,632	$58
8	South Korea	157	4,232	27.0	$257	$1,637	$61
9	India	150	3,250	21.7	$145	$967	$45
10	Mexico	116	2,584	22.3	$157	$1,353	$61
11	Hong Kong	111	1,958	17.6	$130	$1,171	$66
12	The Netherlands	107	1,565	14.6	$141	$1,318	$90
13	Italy	101	1,271	12.6	$110	$1,089	$87
14	Switzerland	100	1,608	16.1	$169	$1,690	$105
15	Jordan	89	1,975	22.2	$163	$1,831	$83

Note: [a] May include more than one country
Source: Calculated in part with information from Statistics Canada

Table I.
Travellers to Canada in 2010 – top 15 countries of origin

In terms of the average length of stay and the average spending per trip and per day, however, the rankings show a very different picture:

Average length of stay.

1. China: 28 days.
2. South Korea: 27 days.
3. Mexico: 22 days.
15. USA: four days.

Average spending per trip.

1. Jordan: $1,831.
2. Australia: $1,748.
3. Switzerland: $1,690.
15. USA: $532.

Average spending per day.

1. USA: $132.
2. Australia: $117.
3. Japan: $108.
15. India: $45.

The previous information is useful in determining marketing efforts for each country of origin and each international tourist market segment. As can be seen, visiting and staying with friends and family may have an impact on visitor spending. As mentioned previously, the USA is Canada's main trading partner. However, owing to recent initiatives by the federal government of Canada to diversify international trade, the country is becoming less reliant on trade with the USA. Such diversification may be warranted in the tourism sector as well. It is interesting to note that pre-2008, Canada was more attractive to US travellers owing to the exchange rates that were in favour of the US dollar. With the Canadian dollar now at par with the USA, things have changed. Additionally, passport requirements, border delays, and media sensationalism creating fear of travelling across the border have all impacted inbound tourism from the USA. For US travellers, Canada is no longer perceived as a bargain place to travel. This is especially troubling when one considers that for every dollar spent by tourists, close to $0.28 is generated for all three levels of government (National Travel and Tourism Coalition, 2010). As noted by the World Trade Organization, not only has the ranking of destinations changed dramatically over the years, but the sheer number of countries visited by tourists has increased tremendously.

Marketing challenges

The federal budget for 2012 projects that Canada's resourcing for international tourism marketing will fall from $72 million to $57.8 million in 2014, continuing a long decline from $99 million in 2001. This decrease in marketing investment will further hinder Canada's ability to take advantage of unprecedented opportunities from the rapidly

growing global tourism market. Canada will continue to lose ground while seeing its travel deficit balloon. A $57.8 million budget will increase the disparities between CTC resourcing and that of key competitors, making it more difficult to draw the attention of potential travellers and persuade them to visit Canada. Decreased investment by the government in marketing Canada as a tourism destination is one of the biggest challenges the tourism and hospitality industry is facing today. As the disparities continue to grow, Canada will increasingly be overshadowed by competitors and crowded out of the marketplace. This reduction would necessitate the CTC's full exit from the US leisure market, which is by far Canada's largest. It would also likely require CTC to make decisions about exits from other markets and would significantly reduce the opportunity to fully capitalise on the growing momentum of emerging tourist markets. It should be noted that the CTC's work provides important opportunities and platforms for Canadian businesses to get exposure internationally and this support would be notably diminished. The industry estimates that to be effective, the tourism marketing budget should be at least 216 percent greater. A base level of at least $125 per annum for marketing will get Canada into the playing field with its competitors. It would allow the CTC to maintain and enhance Canada's visibility in its top overseas markets (currently UK, Germany, France, China, Australia, Japan, South Korea, Mexico, Brazil and India), allow a strong re-entry into marketing Canada to the US leisure market, and potentially allow a domestic marketing program to encourage Canadians to travel within Canada instead of abroad. "It doesn't make sense that smaller countries than Canada are being promoted with more marketing dollars" (Caira, 2012). Canada must be able to compete at the same level as other favored travel destinations if it is to continue to claim a fair portion of international tourism arrivals and revenue. Indeed, many up-and-coming tourist destinations are now gaining momentum. Caira (2012) identifies what she calls "barriers to tourism marketing" in Canada, and stresses that these must be overcome in order to fully leverage Canada as an exciting place to travel for contemporary travellers.

A funding model tied to performance and success is an important motivator for industry to get behind the national marketing effort. As international tourism grows in importance, so does the ability to compete rigorously. It is also important to plan for unexpected contingencies or unforeseen shocks – such as has been seen with 9/11, SARS and the global financial crisis in the recent past decade. Industry leaders are advocating to establish an additional tourism marketing contingency to market when industry and Canada need it most.

Canada's tourism exports continue to decline, and industry has become over-reliant on the domestic travel market, which now accounts for 81 percent of total tourism revenue, compared to just 65 percent in 2000. The domestic market is less lucrative and has limited upside potential. Domestic travellers spend less – $305 per trip compared to $1,488 per trip for overseas travellers – meaning they have less economic impact on communities. There are signs that the domestic tourism market is at risk: Canadian travellers are heading to the USA and other destinations in droves. Canada's travel deficit has reached an unprecedented $16.3 billion, up from only $2.1 billion in 2001. It is growing faster than the trade deficit of any other Canadian industry, including manufacturing[6].

The CTC effectively leveraged the 2010 Summer Olympic Games opportunity, boosting the world's awareness of Canada as a premier tourism destination. The CTC also effectively deployed resources from the Economic Action Plan[7] by opening up

emerging markets such as India and Brazil and creating a highly successful domestic program called Locals Know. Because of these successes and others, industry has confidence in the CTC to deliver an effective marketing program.

Employment and labour shortages

In the past, the tourism sector has suffered from an inadequate labour supply: in 2007, 23,700 jobs were unfilled in this sector (The Canadian Tourism Research Institute, 2012). During the period of 2008-2009, there was a gleam of silver lining for the tourism industry specifically to be found in the events of what has been dubbed the Great Recession: a temporary respite from this chronic labour shortage. In 2010, demand in the tourism sector provided 1.6 million full-time (non-seasonal) jobs. This demand is expected to increase by 1.6 percent per year from 2010 to 2014. The increase in the supply of labour, however, is expected to increase by only 1.2 percent. Demand will soon outpace supply, and it is projected that in 2013 the sector will face shortages equal to 3,700 full-time jobs (The Canadian Tourism Research Institute, 2012).

The tourism industry employs 10.4 percent of working Canadians (Statistics Canada, 2011). Employment in this sector is highest in British Columbia – 13 percent of employed British Columbians work in tourism – however the largest share of workers are in Ontario (38 percent). Following this is Quebec with 22 percent of those employed in the sector; British Columbia accounts for 16 percent. Unemployment in the tourism industries is 6.8 percent, lower than the national average seen previously, however this employment is 18 percent more likely to be part-time. Employees in the tourism sectors work in the following groups[6]:

- Accommodations 12 percent.
- Food and beverage services 46 percent.
- Recreation and entertainment 23 percent.
- Transportation 16 percent.
- Travel services 3 percent.

In a report prepared for the Canadian Tourism Human Resource Council, the Canadian Tourism Research Institute (2012) reflected on the conundrum faced by operators in the tourism industry: there is a severe labour shortage in the industry, however though the most obvious and direct solution to this issue is to raise wages to attract workers, this would necessitate a corresponding increase in room rates, which would reduce demand for rooms and services and thus the demand for said workers. This means that the only course of action must be the collaborative effort of all those with a stake in this industry to innovate in the areas of hiring practices and compensation packages. By targeting groups not traditionally courted by industry employers, such as new immigrants, older workers and those with disabilites, and at the same time improving compensation packages to allow for more work-life balance and ensuring that there are opportunities for advancement for the much needed 15-24 year old demographic, industry leaders can increase the desirability of jobs in this industry without increasing wages.

The hotel industry in Canada

As of August 16, 2012 there are approximately 8,500 hotel properties in Canada, providing approximately 457,000 hotel rooms and about 285,000 direct jobs. In 2011,

the Canadian hotel industry generated about $16.5 billion dollars in national revenue and provided an additional $7 billion dollars in combined tax revenue for municipal, provincial and federal governments. These figures emphasize the fact that the Canadian hotel industry is a very positive and significant revenue generator for the Canadian economy.

The top three hotel operators in Canada by revenue are:

(1) Four Seasons Hotels and Resorts.

(2) Fairmont Hotels and Resorts.

(3) Westmount Hospitality.

These paramount Canadian hotel firms all operate accommodation properties around the world but continue to have their corporate head offices located within the Greater Toronto Area, in Ontario, Canada[8]. Total hotel room inventory for the Canadian hotel industry is expected to grow by 1.1 percent in 2012, which will increase total hotel room inventory to about 503,000 units. It is important to note that while Canadian hotel operators survived the great recession in general, the average revenue per available room (RevPAR) value for Canadian properties hit a low of $73 (2009) in contrast to a robust $83 (2008) prior to the Great Recession. A more healthy and optimistic RevPAR value of $80 is forecasted for year-end 2012[8].

The hotel industry has traditionally suffered a disconnect between expectations for growth and what actually occurs. This can lead many in the industry to view hotel management as a thankless task (Haywood, 2012b). Hoteliers are concerned about how they might grow and reinvent their businesses, and managers must excel in acting in the best interest of their companies and the tourist destinations they call home. Among the questions being asked by the most successful in the industry are: "how is my region/city/company special and distinct?", "how can my business both look to and contribute to a positive vision of the future?", and "what are the demographics of interest for my business?".

Based on PKF Consulting Inc. calculations (Haywood, 2012b), Canadian hotel occupancy, average daily rates (ADR), and RevPAR in 2001 were:

- *Occupancy*: 61.2 percent, or 1 percent up from 2010.
- *ADR*: $126.87, or 0.6 percent down from 2010.
- *RevPAR*: $77.66, or 1.1 percent up from 2010.

Based on the previous information, the Canadian hotel industry and leading hoteliers sought to find answers to a strategic question: "What innovations are needed in the Canadian hotel industry and how might they be implemented to secure the industry's future?".

What is WHATT?

The Worldwide Hospitality and Tourism Trends (WHATT) information service began operating in 1994 with two centers, one in the UK and another in the USA; Australia joined later. In 2002 WHATT was re-positioned and re-launched with an international 'roundtable' concept that sought industry help in shaping the academic research agenda. At this point Emerald Publishing and the Hotel and Catering International Management Association, UK (HCIMA) collaborated with WHATT. Six regional team leaders were appointed and entrusted with the responsibility of organizing eight

annual roundtable discussions in different parts of the world, which included Australia, Brazil and Portugal, Canada, the Caribbean, China, Europe, the UK and the USA. The aims of WHATT roundtable discussions included:

- Creating dialogue between academics and practitioners through annual regional roundtable discussions;
- Playing a key role in helping to raise awareness and understanding of applied research in hospitality and tourism: its possibilities, opportunities and problems; and
- Capturing the essence of each discussion in an outcome article.

In 2007 WHATT re-branded as Worldwide Hospitality And Tourism Themes, with an outcomes-based theme-issue format for each roundtable, replacing the previous practice of one outcome article per roundtable. Under this concept and the new brand in 2007, Canada organised the first WHATT (theme) roundtable in the world. 15 years after its creation, WHATT became a fully-fledged peer reviewed journal in 2009.

Previous WHATT roundtables in Canada

In his capacity as the Research Director for the Caribbean and Canada of WHATT, the lead author of this paper organized four roundtable discussions in Canada over a ten year period.

The School of Hospitality and Tourism Management, Ryerson University in Toronto hosted the first ever WHATT roundtable in Canada in 2002. Seven industry participants representing seven sub sectors of the hospitality and tourism industry and seven academic participants representing five universities attended the discussion on the topic "Sustainable Tourism Development: The role of Educational Institutions". A key outcome was an article in a journal.

Once again the School of Hospitality and Tourism Management, Ryerson University hosted the second Canadian WHATT roundtable discussion in 2004. A total of 12 well-known Canadian hospitality and tourism industry leaders and nine Canadian hospitality and tourism educators participated in this roundtable discussion. The topic for this discussion was "Preparing for Future Human Resource Challenges in the Canadian Hospitality Industry". A key outcome was a conference paper.

Niagara College hosted the third WHATT roundtable discussion in Canada in 2007. The theme for the roundtable was "Tourism in Niagara: Challenges and Solutions". In total, 14 expert panellists and the moderator – Dr Dan Patterson, President of Niagara College – spent nearly a full day discussing a strategic question: "How should Niagara Region respond to the key challenges it faces and find solutions to preserve and develop its tourism industry?" (Jayawardena, 2008). The key outcomes were a theme issue with 10 articles in a journal and a summary publication with Deloitte for the industry.

WHATT roundtable in Canada

Partner – HOHTO

Encouraged by the positive participation of educators and leaders from the tourism and hospitality industry at the first three WHATT roundtables in Canada, the lead author sought a new host for a new WHATT roundtable in 2012. His discussions with Heads of Hospitality and Tourism Ontario (HOHTO) regarding a joint

WHATT/HOHTO roundtable proved successful. HOHTO is a provincial body of all the deans and academic chairs responsible for tourism, hospitality and culinary arts programs in 24 community colleges funded by the province of Ontario. HOHTO is an influential body and is responsible for a total student population of 13,741 students.

As indicated in Table II, the Ontario college system is a valuable provider of post-secondary education in Ontario. Out of a total number of 607,079 full-time post-secondary students in Ontario's 21 universities (with 360,616 students) and 24 community colleges (with 246,463 students in 2,728 programs), 41 percent are currently in these colleges. Compared to universities, colleges record a smaller average class size of 32. Colleges offer a variety of hospitality and tourism programs (including culinary arts and special events programs) at different levels: one-year post-graduate certificate, four-year degree, three-year diploma, two-year diploma, one-year certificate and apprenticeship. While almost all colleges have hospitality and tourism programs, only four universities have related programs.

Although 13,741 is large for a student population majoring in tourism, hospitality, culinary arts, and related specializations, this number represents only 5.58 percent of the total number of students attached to community colleges in Ontario. Considering

College	Full-time students	Full-time hospitality and tourism students	Full-time programs	Average class size
Algonquin College	14,000	1,850	172	30
Cambrian College	4,500	20	80	22
Canadore College	3,500	100	60	30
Centennial College	16,000	900	250	28
College Boreal	2,000	60	60	NA
Conestoga College	10,000	350	180	35
Confederation College	3,275	89	67	25
Durham College	9,700	80	130	45
Fanshawe College	16,350	600	190	35
Fleming College	6,000	560	100	45
George Brown College	23,936	3,300	148	36
Georgian College	11,000	800	100	45
Humber College	25,000	1,365	150	50
La Cite Collegiale	5,000	215	90	15
Lambton College	3,600	154	70	30
Loyalist College	2,836	84	65	21
Mohawk College	18,500	178	130	35
Niagara College	9,000	1,510	100	33
Northern College	1,466	N/A	70	30
St Clair College	8,500	326	100	50
St Lawrence College	6,300	250	80	28
Sault College	4,000	50	70	35
Seneca College	24,000	750	146	40
Sheridan College	18,000	150	120	31
24-college total	246,463	13,741	2,728	–
24-college average	10,269	573	114	34

Source: Calculated in part with information from www.thestar/schoolguide[9]

Table II.
Ontario community colleges

that the current provincial tourism industry employment is 10.2 percent (Canadian Tourism Human Resource Council, 2011) of the employed labour force in Ontario, 5.58 percent of the total of college students represents an insufficient number of students majoring in hospitality and tourism.

Plan and methodology

The theme and strategic question chosen for the roundtable was "What innovations are needed in the Canadian hotel industry and how might they be implemented to secure the industry's future?" The basic plan for the WHATT roundtable 2012 was to have 12 senior panelists with six from industry and six from academia. These panelists were carefully chosen based on their expertise on six relevant topics as shown in Table III.

The roundtable discussion was hosted by Algonquin College in Ottawa with their chair for the School of Hospitality and Tourism, Altaf Sovani, moderating the session. The lead author held the responsibility of the academic lead for the roundtable and provided the strategic questions listed in Table IV to the moderator and panelists a week in advance of the roundtable.

The audience for the roundtable totalled over 100 participants from industry, academia, and students from Algonquin College on relevant programs. The roundtable was held on May 16 2012 for three hours, followed by a reception for all the panelists and participants, hosted by Algonquin College and HOHTO.

Discussion

As the academic lead for the roundtable, Dr Chandi Jayawardena opened the discussion and welcomed the attendees. He indicated the significance of the timing for

Expertise	Industry panellists	Academic panellists
Trends and sustainability in Canadian tourism and hospitality industry	Anthony Pollard President Hotel Association of Canada	Dr Wanjohi Kibicho Service Delivery Analyst, External Relations and Visitor Experience Directorate
Trends in international hotel development and management	David Pantin President Silver Peacock Group	Martin Taller Professor/ Program Coordinator Algonquin College
Innovations in hotel administration	John Jarvis Chief Experience Officer Westin Hotel, Ottawa	Dr Chandi Jayawardena Associate Dean Centre for Hospitality & Culinary Arts George Brown College
Innovations in hotel operations in Canada	Fred Lawlor Principal G7 Hospitality Group	Michael Tarnowski Professor/Program Coordinator Algonquin College
Trends in hotel investment and financial management in Canada	Alam Pirani Executive Managing Director Colliers International Hotels	Dr Paul Willie Professor Niagara College
Marketing Canadian hotels in the future	Andrew Horsfield Senior Sales Manager Lord Elgin Hotel, Ottawa	Joanne Gellatly Professor/Program Coordinator George Brown College

Table III.
Panelists of the 2012 WHATT roundtable in Canada

Section	1. To industry panellist	2. To academic panellist	3. To other ten panellists
Trends and sustainability in Canadian tourism and hospitality industry	*Anthony Pollard* What are the key trends in the Canadian hospitality industry?	*Dr Wanjohi Kibicho* What are the key sustainability issues in the Canadian tourism industry?	Any other useful comments related to trends and sustainability in Canadian tourism and hospitality industry?
Trends in international hotel development and management	*David Pantin* What are the key trends in international hotel development?	*Martin Taller* What are the key trends in international hotel management?	Any other useful comments related to trends in international hotel development and management?
Innovations in hotel administration	*John Jarvis* What is most innovative hotel administration idea you have seen in Canada?	*Dr Chandi Jayawardena* What is most innovative idea you used in your career as an international hotel administrator?	Any other useful comments related to Innovations in hotel administration?
Innovations in hotel operations in Canada	*Fred Lawlor* What are the current key challenges in hotel operations in Canada?	*Michael Tarnowski* What are the current key challenges in hotel operations education in Canada?	Any useful comments related to innovative solutions to the challenges identified by Fred and Michael?
Trends in hotel investment and financial management in Canada	*Alam Pirani* What are the key trends in hotel investment in Canada?	*Dr Paul Willie* What are the key trends in hotel financial management in Canada?	Any useful comments related to trends in hotel investment and financial management in Canada?
Marketing Canadian hotels in the future	*Andrew Horsfield* What are the key trends in hotel marketing in Canada?	*Joanne Gellatly* What pro-active steps should be taken in marketing Canadian hotels in the future?	Any useful comments related to marketing Canadian hotels in the future?

Table IV.
Strategic questions for WHATT roundtable panelists

the roundtable, as it was organized to commemorate Canada's Tourism Week. He mentioned the key outcomes from the previous WHATT roundtables in Canada held in 2002, 2004, and 2007, and handed the floor to the moderator, who introduced the panelists. The discussion began with each panelist responding to the specific questions posed. In addition to the contributions from the panelists, the audience was provided with an opportunity to ask questions towards the end of the roundtable discussion. Many themes, questions, and concepts that were discussed are captured in the seven outcome articles contained in this issue of *Worldwide Hospitality and Tourism Themes* (Volume 5, Number 2, 2013). The panelist responses included the following points and views:

- The reduction of the tourism marketing budget of Canada represents a major challenge for the hotel industry.
- Sustainability of tourism depends in part on the tourism marketing budget.
- Investment in research and marketing of small-scale projects owned by local communities is important for sustainable tourism development.
- Developing authentic experiences for tourists has to be a key strategy.
- Canada's ability to maintain its reputation as an environmentally-friendly destination is important.
- Leaders in the tourism industry should be focused on supporting First Nations, Inuit and Métis peoples.
- Owing to the global economic meltdown, it has become more difficult to raise funds for hotel projects from banks and lenders.
- Using, interpreting, and managing data are vital for the success of the hotel industry.
- Attracting and retaining suitable staff is one of the biggest challenges for the hotel industry.
- Understanding the proper management and use of social media is now considered extremely important for hoteliers.
- E-marketing is essential for success.
- A key challenge is the difficulty of increasing room rates to keep up with rising costs and rate discounting.
- There is an increasing need in the hotel industry for a higher level of soft skills from hospitality students.
- High expectations of hospitality students from both colleges and universities for the positions available to them on graduation creates frustration, leading to a higher percentage of students exiting to other industries.
- Canadian fiscal stability should help to promote more investment in hotel development projects.
- Recession-related issues in the USA, such as high unemployment and price wars between hotels, have an impact on the Canadian hotel industry.
- The tourism and hospitality industry at times lacks collaboration in lobbying the government.

- Technological advancements such as 'self-service' and automated telephone systems affect service levels and true 'hospitality' for customers.
- The industry must renew its focus on listening to its customers.
- Hospitality educators should get more input from industry in shaping their curriculum.
- Hospitality educators must be engaged in applied research involving industry partners and students.

Outcomes of the roundtable

The 2012 WHATT roundtable in Canada attracted significant support and interest from industry leaders, educators as well as students studying relevant programs. Encouraged with the success of the WHATT roundtable at Algonquin College, the team of panelists decided to work together to create this theme issue. To facilitate this, the theme issue editor assembled seven teams of hospitality and tourism experts and challenged them to research further and then answer questions raised at the roundtable. All 12 roundtable panelists became co-authors of articles related to their respective expertise. In addition, the theme issue editor successfully encouraged 11 more experts to join the team of authors.

The articles that follow this introductory overview article address the following seven topics in further depth:

(1) Trends and sustainability in the Canadian tourism and hospitality industry.
(2) Trends in international hotel management.
(3) Innovations in hotel administration in Canada.
(4) Challenges and innovations in hotel operations in Canada.
(5) Trends in hotel investment and financial management in Canada.
(6) Marketing Canadian hotels in the future.
(7) The Canadian hotel industry: innovative solutions to secure the industry's future.

In total, 23 Canadian authors contributed to this WHATT theme issue. It is noteworthy that 12 of these authors are senior industry leaders from 12 organisations. The other 11 authors are academics with wide industry experience gained prior to their careers as academics. The authors from academia are from two universities and four colleges. The authors address some of the key challenges and current issues of the hotel industry of Canada and propose practical solutions for the future in a thought-provoking manner. While there were other outcomes from the roundtable, the WHATT theme issue dedicated to Canada is the most significant outcome. It is hoped that this theme issue will be used by the industry leaders, consultants, researchers, academics and students.

Notes

1. Available at: www.cia.gov/library/publications/the-world-factbook/geos/ca.html
2. www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/demo02a-eng.htm
3. Available at: www.economicexpert.com/a/UN:Human:Development:Index.htm

4. Available at: www.canada.travel/
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6. Available at: http://discovertourism.ca/en/about_tourism/industry_information
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Further reading

Helliwell, J., Layard, R. and Sachs, J. (2012), *World Happiness Report*, The Earth Institute, Columbia University, available at: http://earth.columbia.edu/articles/view/2960 2012-04-02 (accessed October 19, 2012).

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